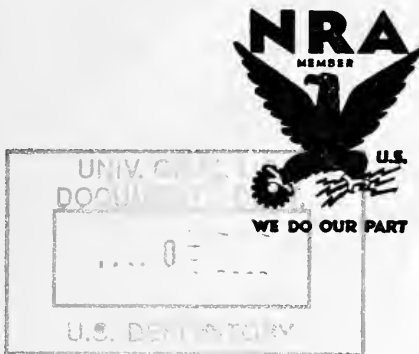




NATIONAL RECOVERY ADMINISTRATION

PROPOSED CODE OF FAIR COMPETITION
FOR THE
QUILTING MANUFACTURERS
INDUSTRY

AS SUBMITTED ON AUGUST 31, 1933



The Code for the Quilting Manufacturers Industry in its present form merely reflects the proposal of the above-mentioned industry, and *none of the provisions contained therein are to be regarded as having received the approval of the National Recovery Administration as applying to this industry*

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933

SUBMITTED BY
QUILTING MANUFACTURERS INSTITUTE
(11)

PROPOSED CODE OF FAIR COMPETITION OF QUILTING MANUFACTURERS INSTITUTE

PURPOSE

The Quilting Manufacturers Institute recognizes the existence of an emergency affecting the welfare of both employees and employers in the quilting industry. The emergency demands that unfair competitive practices be eliminated; that unemployment be reduced and relieved; and that standards of labor be improved. It is the declared purpose of the Quilting Industry and adherents to this Code to bring, insofar as may be practicable, the rates of wages paid within the Quilting Industry to such levels as are necessary for the creation and maintenance of the highest practicable standard of living; to restore the income of enterprises within the industry to levels which will make possible the payment of such wages and avoid further depletion and destruction of capital assets; and from time to time to revise the rates of wages in such manner as will currently reflect an equitable adjustment to variation in the cost of living.

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are established as a code of fair competition for the quilting industry.

DEFINITIONS

A. The term "quilting" and "quilting products" as used herein is defined to mean:

(1) Quilted goods, including a piece of material, cotton, silk, satin, or other textile fabric which has been quilted to the later made into a finished product by some other industry.

(a) Quilted lining or interlining of any character, whether the substance be wool or cotton, used in connection with cotton, silk, rayon, or other textile material.

(3) Any material such as cotton, silk, rayon, or similar textile material, which is processed by sewing through a quilting machine with some sort of filling material, and then produced into the finished product, such as, for example, quilted bed-pad or quilted bed-spread.

(4) Any material stitched together on a quilting machine either with or without filling and later to be used by the garment or other industries.

B. The term "employees" as used herein shall include all persons employed in the conduct of such operations.

C. The term "productive machinery" as used herein is defined to mean "quilting machines."

D. The term "effective date" as used herein is defined to be August 1, 1933, or, if this Code shall not have been approved by the

President two weeks prior thereto, then the second Monday after such approval.

E. The term "persons" shall include natural persons, partnerships, associations, and corporations.

PROVISIONS PURSUANT TO SECTION 7 (a)

Employers in the quilting industry shall comply with the following requirements of Section 7 (a) of Title I of the National Industrial Recovery Act:

"(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization, or in other concerted activities for the purpose of collective bargaining, or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

MINIMUM RATES OF WAGES

On and after the effective date, the wages that shall be paid by any employer to any employee North of the Mason and Dixon line shall be at not less than the rate of 37½¢ per hour for male employees and 32½¢ per hour for female employees, or at the rates of \$15 and \$13, respectively, per week for 40 hours of labor.

On and after the effective date, the wages that shall be paid by any employer to any employee South of the Mason and Dixon line shall be at not less than the rate of 35¢ per hour for male employees and 30¢ per hour for female employees, or at the rates of \$14 and \$12, respectively, per week for 40 hours of labor.

Overtime pay after forty hours and up to the maximum of forty-eight hours shall be at the rate of time and a quarter.

MAXIMUM HOURS OF LABOR AND MACHINERY

On and after the effective date, employers in the quilting industry shall not operate on a schedule of hours of labor for their employees in excess of forty-eight hours per week and they shall not operate productive machinery in the quilting industry for more than two shifts of forty hours each per week.

On and after the effective date employers in the quilting industry shall not employ any minor under the age of sixteen years.

That this Code is not designed to promote monopolies or oppress small enterprises and shall not operate to discriminate against them and shall tend to effectuate the policy of the National Industrial Recovery Act.

REPORTS

With a view to keeping the President informed as to the observance or nonobservance of this Code of Fair Competition and as to whether the quilting industry is taking appropriate steps to effectuate the declared policy of the National Industrial Recovery Act, each person engaged in the quilting industry shall furnish duly certified reports to the Association in substance as follows and in such form as may hereafter be provided:

A. Wages and hours of labor: Returns every four weeks showing actual hours worked by the various occupational groups of employees, and minimum weekly rates of wages.

B. Machinery Data: Returns every four weeks showing number of quilting machines operating each week, the number of shifts, and the total number of machine-hours each week.

C. Reports of production, sales, stocks, and orders: Quarterly reports showing production in terms of the commonly used unit, that is, quilting; stocks on hand both sold and unsold stated in the same terms.

The Quilting Manufacturers Institute is constituted the agency to collect and receive such reports under such conditions as will insure that their contents will not be improperly divulged.

To further effectuate the policies of the National Industrial Recovery Act, the Quilting Manufacturers Institute is set up to co-operate with the Administrator as a planning and fair practice agency for the quilting industry.

Such agency may from time to time present to the Administrator recommendations based on conditions in the industry as they may develop from time to time, which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act, and in particular along the following lines:

A. Recommendations as to the requirements by the Administrator of such further reports from persons engaged in the quilting industry of statistical information and keeping of uniform accounts, as may be required to secure the proper observance of the Code and promote the proper balancing of production and consumption and the stabilization of the industry and employment.

B. Recommendations for the setting up of a service bureau for manufacturing, accounting, credit, and other purposes to aid the various plants in meeting the conditions of the emergency and the requirements of this Code.

C. Recommendations for changes in, or exemptions from, the provisions of this Code as to the working hours of machinery, which will tend to preserve a balance of productive activity with consumption requirements, so that the interests of the industry and the public may be properly served.

D. Recommendations for the making of requirements by the Administrator as to practices by persons engaged in the quilting industry as to methods and conditions of trading, the naming and reporting of prices which may be appropriate to avoid discrimination, to promote the stabilization of the industry, and to prevent and eliminate unfair and destructive competitive prices and practices.

E. Recommendations for regulating the disposal of distress merchandise in a way to secure the protection of the owners and to promote sound and stable conditions in the industry.

F. Recommendations as to the making available credit information concerning customers or prospective customers to those engaged in the industry, of information regarding terms of, and actual functioning of, any or all of the provisions of the Code, the conditions of the industry, and regarding the operations of any and all of the members of the industry covered by such Code, to the end that during the period of emergency available credit may be adapted to the needs of such industry considered as a whole and to the needs of the small as well as the large units.

G. Recommendations for dealing with any inequalities that may otherwise arise to endanger the stability of the industry and of production and employment.

Such recommendations, when approved by the Administrator, shall have the same force and effect as any other provisions of this Code.

UNFAIR METHODS OF COMPETITION

Violation by any manufacturer of quilting of any provision or provisions of this Code, or of any approved rule issued thereunder, is an unfair method of competition. The following are specifically declared to be unfair methods of competition:

A. Selling or offering for sale any merchandise below cost.

B. Enticing away employees of competitors with the purpose and effect of unduly hampering, injuring, or embarrassing competitors in their businesses.

C. Making, causing, or permitting to be made or published, any false or deceptive statements on, or concerning the business policies or methods of a competitor.

D. Selling or offering for sale of any product of the industry with misrepresentation calculated to deceive customers or prospective customers as to the quality, quantity, grade, substance, nature, origin, size, or preparation of any products of the industry.

E. The shipping of goods on consignment or memorandum, or approval, either directly or indirectly. This paragraph shall not apply to samples. A sample is defined as being one only of each style and quality.

F. The attempt to secure lists of a competitor's customers.

G. Paying or allowing secret rebates, refunds, credits, or unearned discounts, whether in form of promotion fees, advertising allowances or appropriations, money or otherwise, or extending to certain purchasers confidential prices, special service, or privileges not specifically mentioned in his original specifications.

H. Substituting other materials or grades for the kind ordered without written approval of the purchaser.

I. The sale of any product or any article whatsoever other than quilting at an unreasonable price, for the purpose of evading or defeating the terms of this Code.

J. To represent certain prices and terms as "special" when they are in fact regular prices and regular terms, with the tendency and capacity to mislead and deceive purchasers.

K. The secret deviation from announced or published price lists directly or indirectly in any guise by the allowance of rebates, refunds, commissions, or discounts, undeserved freight allowances, etc.

L. Paying or promising to pay to any employee or agent of the purchaser, or prospective purchaser, a commission in the form of money or anything of value, for the purpose of inducing or compensating for a sale with or without the knowledge of the purchaser.

M. Postdating or predating quotations, orders, invoices, statements, or other sales documents.

N. Terms of sale of quilted products shall be 3% 10 days, E.O.M. from date of shipment with no extra dating; and these terms shall not be deviated from.

O. Each firm shall publish price lists of all standard items manufactured or processed by quilting machinery.

P. The performance of work or labor for retail stores or jobbers is prohibited.

Costs

The industry shall proceed at once to provide for standard methods of costing which shall be used by all manufacturers.

The term "cost" in the opinion of the industry should be interpreted to include among other items, cost of raw materials, labor, transportation, manufacturing, depreciation, depletion, obsolescence, insurance, interest on investment, selling, and administration expenses.

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated if it appears that the public needs are not being served thereby and as changes in circumstances or experience may indicate. They shall remain in effect unless and until so modified or eliminated or until the expiration of the act. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair purposes and policies of Title I of the National Industrial Recovery Act and which shall not conflict with the provisions thereof.

An appropriate committee is hereby created and empowered to investigate as to the functioning and observance of any of the provisions of this Code, at its own instance or on complaint by any person affected, and to report the same to the Administrator; to cooperate with the Administrator; to propose additions, modifications, or revisions of this Code; from time to time to require such reports from manufacturers as in its judgment may be necessary to advise it adequately of the administration and enforcement of the provisions of this Code; to propose a marketing code with provisions with respect to (a) collection and interchange of credit information, (b) cooperative administration of insolvent debtors, and (c) other aspects of marketing; and generally to perform such other acts as may be reasonably necessary and proper to put these resolutions into effect and accomplish the objects and purposes of the National Industrial Recovery Act. In the event such committee shall find the

rules of fair competition, or any provisions of this Code, have been violated, the violation shall be reported to the Board of Directors for such action as they deem proper in accordance with this Code, including in appropriate cases, report to the United States Attorney, the Federal Trade Commission, or the recommendation that appropriate proceedings be taken in accordance with the National Industrial Recovery Act.

Such committee is also set up for the purpose of investigating and informing the Administrator, on behalf of the quilting industry, as to the importation of competitive articles into the United States in substantial quantities or increasing ratio to domestic production on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of this Code and as an agency for making complaint to the President on behalf of the quilting industry, under the provisions of the National Industrial Recovery Act, with respect thereto.

ADJUSTMENT OF CONTRACTS

Where the costs of executing contracts entered into in the quilting industry prior to the presentation to Congress of the National Industrial Recovery Act are increased by the application of the provisions of that Act to the industry, it is equitable and promotive of the purposes of the Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceedings or otherwise, and the Quilting Manufacturers Institute is constituted an agency to assist in effecting such adjustments.

PARTICIPATION

Participation in any subsequent revision of, or addition to, this Code, shall be extended to any person, partnership, or corporation in the quilting industry who accepts his share of the cost and responsibility, as well as the benefit of such participation by becoming a member of the Quilting Manufacturers Institute.

The industry approves the practice of handling disputes in a fair and reasonable manner, coupled with a spirit of moderation and good will, and every effort should be made by the disputants themselves to arrive at an agreement. If unable to do so, they should agree, if possible, upon arbitration under some one of the prevailing codes.

The President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, may, from time to time, cancel or modify any order, approval, license, rule, or regulation issued under Title I of the National Industrial Recovery Act.